



POSTAL REGULATORY COMMISSION
[Docket No. R2021-2]

Before Commissioners:

Michael Kubayanda, Chairman;
Ashley E. Poling, Vice Chairwoman;
Mark Acton;
Ann C. Fisher; and
Robert G. Taub

Market-Dominant Price Change

NOTICE AND ORDER ON PRICE ADJUSTMENTS AND
CLASSIFICATION CHANGES FOR MARKET DOMINANT PRODUCTS

Issued June 1, 2021.

I. INTRODUCTION

On May 28, 2021, the Postal Service filed a notice of price adjustments affecting market dominant domestic and international products and services, along with temporary mailing promotions and proposed classification changes to the Mail Classification Schedule (MCS).¹ The planned price adjustments described in the Notice are the first to be filed and reviewed pursuant to the new regulations of 39 CFR part 3030, which were finalized in Order No. 5763 and include new forms of rate authority.² The intended effective date for the planned price adjustments is August 29, 2021. Notice at 1. The Notice, which was filed pursuant to 39 CFR part 3030, triggers a notice-and-comment proceeding. 39 CFR 3030.125.

¹ United States Postal Service Notice of Market-Dominant Price Change, May 28, 2021 (Notice).

² Docket No. RM2017-3, Order Adopting Final Rules for the System of Regulating Rates and Classes for Market Dominant Products, November 30, 2020 (Order No. 5763).

II. OVERVIEW OF THE POSTAL SERVICE'S FILING

The Postal Service's filing consists of the Notice, which the Postal Service represents addresses the data and information required under 39 CFR 3030.122 and 39 CFR 3030.123; four attachments (Attachments A-D) to the Notice; and six public library references and one non-public library reference.

Attachment A presents the planned price and related product description changes to the MCS. Notice, Attachment A. Attachments B and C address workshare discounts and the price cap calculation, respectively. *Id.* Attachments B and C. Attachment D presents the 2022 promotions schedule and descriptions of the 2022 promotions. *Id.* Attachment D.

Five public library references provide supporting documentation for the five classes of mail. Notice at 5. The Postal Service also filed a public library reference containing workpapers for Seamless Volumes for all mail classes. *Id.* at 12. It also filed a library reference pertaining to the two international mail products within First-Class Mail (Outbound Single-Piece First-Class Mail International and Inbound Letter Post) under seal and applied for non-public treatment of those materials.³

The Postal Service's planned percentage changes by class are, on average, as follows:

Market Dominant Class	Planned Price Adjustment (%)
First-Class Mail	6.814
USPS Marketing Mail	6.815
Periodicals	8.806
Package Services	8.806
Special Services	6.808

Notice at 5.

Price adjustments for products within classes vary from the average. *See, e.g., id.* at 7, 12 (Table 6 showing range for First-Class Mail products and Table 10 showing range for USPS Marketing Mail products). Most of the planned adjustments entail

³ See USPS Notice of Filing USPS-LR-R2021-2-NP1, May 28, 2021, Attachment 1.

increases to market dominant rates and fees; however, in a few instances, the Postal Service proposes either no adjustment or a decrease. See *id.* at 7, 21, 27.

The Postal Service identifies the effect of its proposed classification changes on the MCS in Attachment A. *Id.* at 36; *id.* Attachment A. The Postal Service also seeks approval for the following six promotions for the indicated periods:

- Tactile, Sensory and Interactive Mailpiece Engagement Promotion (February 1 – July 31, 2022);
- Emerging and Advanced Technology Promotion (March 1 – August 31, 2022);
- Earned Value Reply Mail Promotion (April 1 – June 30, 2022);
- Personalized Color Transpromo Promotion (July 1 – December 31, 2022);
- Mobile Shopping Promotion (September 1 – December 31, 2022); and
- Informed Delivery Promotion (August 1 – December 31, 2022).

Id. Attachment D.

III. INITIAL ADMINISTRATIVE ACTIONS

Pursuant to 39 CFR 3030.124(a), the Commission establishes Docket No. R2021-2 to consider the planned price adjustments for market dominant postal products and services, as well as the related classification changes, identified in the Notice. The Commission invites comments from interested persons on whether the Postal Service's planned price adjustments are consistent with applicable statutory and regulatory requirements. 39 CFR 3030.125. The applicable statutory and regulatory requirements the Commission considers in its review are the requirements of 39 CFR part 3030, Commission directives and orders, and 39 U.S.C. 3626, 3627, and 3629. 39 CFR 3030.126(b). Comments are due no later than June 28, 2021. 39 CFR 3030.124(f).

The public portions of the Postal Service's filing are available for review on the Commission's website (<http://www.prc.gov>). Comments and other material filed in this proceeding will be available for review on the Commission's website, unless the information contained therein is subject to an application for non-public treatment. The Commission's rules on non-public materials (including access to documents filed under seal) appear in 39 CFR part 3011.

Pursuant to 39 U.S.C. 505, the Commission appoints Richard A. Oliver to represent the interests of the general public (Public Representative) in this proceeding.

IV. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. R2021-2 to consider the planned price adjustments for market dominant postal products and services, as well as the related classification changes, identified in the Postal Service's May 28, 2021 Notice.
2. Comments on the planned price adjustments and related classification changes are due no later than June 28, 2021.
3. Pursuant to 39 U.S.C. 505, Richard A. Oliver is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
4. The Commission directs the Secretary of the Commission to arrange for prompt publication of this notice in the *Federal Register*.

By the Commission.

Erica A. Barker,
Secretary.

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